

Continued Operations Instrument (COI) Amendment Service

How to Submit a COI Amendment Service Request

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I. Introduction

This document provides guidance for registry operators on how to submit a Continued Operations Instrument (COI) Amendment Service request. The service provides a method for registry operators to align their COI funding levels with updated domain registrations under management (DUMs) projections. The COI funds are an important part of safeguarding the operation of generic top-level domains (gTLDs) by ensuring there are sufficient financial resources to protect the continuity of service should any issues with the registry arise.

To initiate the process, a new COI Amendment case must be submitted via the [Naming Services portal](#). Once submitted, the ICANN organization will perform a completeness check of the request to confirm it meets the requirements and is approved to move forward.

Letters of Credit: If the COI is in the form of a Letter of Credit (LOC), the ICANN organization will direct Bank of America, ICANN's advising bank, to review the LOC and detail any changes to the language that may be required. The registry operator may then provide those instructions to their issuing bank to execute the amendment. When complete, Bank of America will notify the ICANN organization of completion and store the updated document in their system. Lastly, the ICANN organization will review the results and inform the registry operator that the changes have been completed.

Escrow Agreements: If the COI is in the form of an Escrow Agreement (EA), the ICANN organization will request that the registry operator work with the issuing bank to amend the escrow agreement.

Additional information regarding the COI Amendment Service can be found at the [Continued Operations Instrument \(COI\)](#) home page.

For any questions, please contact ICANN Global Support: globalsupport@icann.org.

II. Instructions

STEP 1 – Should I Submit an Amendment Request?

The ICANN organization published guidance in December 2011 to help registry operators calculate the estimated costs of gTLD operations based on projected DUMs. Since that time, the launch of new gTLDs has provided market-driven data points upon which to base their projections. With the COI Amendment Service, registry operators now have a mechanism to request a change to the value of their COI to align with the updated DUMs projections of a gTLD. If you would like to have your COI funds reevaluated based on the updated DUMs projections for your gTLD, you can use the COI Amendment Service to make that request.

There are two reasons why a registry operator may want to amend their COI:

1. Registry operators can request a change to the value of their COI to align with the updated DUM projections of a gTLD. In December 2011, the ICANN organization published guidance to help registry operators calculate the estimated costs of gTLD operations based on projected DUMs. Since that time, the launch of new gTLDs has provided market-driven data points on which to base their projections.
2. When Domains under Management (DUMs) surpasses COI coverage the registry operator will be required to increase their COI to ensure it is not underfunded.

The ICANN organization monitors COIs, as outlined in the new gTLD Registry Agreement, to ensure sufficiency. Should the ICANN organization find that a COI is insufficiently funded at any time once the gTLD has been delegated, the registry operator will be referred to the COI Amendment Service and given 60 days to amend its COI.

STEP 2 – Requirements for Submitting a Request

The registry operator may request a COI Amendment if it is overfunded or insufficiently funded. This can be done any time after the registry has been in General Availability/Registration (GA) for six months as defined by the Claims Start Date.

The requirements are:

1. Registry operators must wait at least six months from the date a COI was previously amended before amending the same COI an additional time.
2. The COI may be in the form of a Letter of Credit (LOC) or Escrow Agreement (EA) issued by the registry operator's bank.
3. Updated projections
 - a. Based on the increase or decrease in the number of DUMs outlined in the request, not current DUMs.
 - b. The Standard Emergency Event Fee Table attached to the [Emergency Back-End Registry Operator \(EBERO\) Agreement](#) (Attachment D1) will be the guideline for calculating the appropriate value of a COI based on DUMs projections.

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- c. In situations where one COI covers multiple TLDs, the total funds required will be determined by analyzing the DUMs against each respective TLD listed on the COI's allocation schedule.
 - d. Requests for amendments will be evaluated against the most current submitted Monthly Transaction Report.

The RO is responsible for all banking fees associated with amendment, however, ICANN organization will cover the initial, one-time advisement fee charged by Bank of America. Any subsequent amendment or renewal fees will be billed to the account of the applicant.

STEP 3 – Submit a New Case

Please follow the steps below to submit a specific case type for requesting a COI Amendment.

1. Log in to the [Naming Services portal](#), and select to create a *New Case*.
2. Select *Registry Services* from the list and click the *Next* button at the bottom.
3. On the next screen, you will be asked to select the case type. There are two forms of COI Amendment you can choose from: *Letter of Credit (LOC)* or *Escrow Agreement (EA)*. Select the correct form and click the *Next* button at the bottom of the screen.
4. Answer all questions and hit the *Submit* button to submit the COI Amendment request to the ICANN organization.

STEP 4 – ICANN Completeness Check

The ICANN organization performs a completeness check of the submitted COI Amendment request. During the completeness check, the following are evaluated:

- ⦿ Is the TLD eligible to request a COI adjustment?
- ⦿ Was the request form filled out completely?
- ⦿ Does the requested amount meet or exceed the required funds to support the DUMs projections?

During the completeness check, the ICANN organization may also determine whether additional information or clarification is required to make an informed determination on whether to move forward with the request. The ICANN organization's operational service level target for finishing the completeness check is eight (8) business days.

If the request to amend the COI is approved, it moves to the processing stage. Once the ICANN organization has approved the request, completion timing will vary depending on the registry operator and the applicable banks, but could be finished in as quickly as twenty-one (21) days. If the request to amend is not approved, the ICANN organization will communicate with the registry operator in order to update the request or continue to obtain additional information.

STEP 5 – ICANN Review and Coordination

Most of the COI processing occurs between the ICANN organization's vendor and advising bank, Bank of America, and the registry operator's issuing bank. There are two primary workflows for each of the types of COIs: Letters of Credit (LOC) and Escrow Agreements (EA).

Letters of Credit (LOC)

During the LOC workflow, the following process takes place:

1. If the LOC is not yet stored at Bank of America, it is sent to the institution for review. Once it has been reviewed, Bank of America undertakes an assessment of the LOC.
2. Bank of America will send the proposed amendments to the ICANN organization for review.
3. The ICANN organization will provide a list of any changes required to the registry operator. The registry operator will then provide that document to their issuing bank to execute the changes.
4. The issuing bank will execute the amendment and notify Bank of America of the changes as well as their new Advisement status via SWIFT message.
5. Bank of America will contact the ICANN organization and request approval for the change in the value of the LOC.
6. Once approved, Bank of America will notify the issuing bank that the amendment has been accepted and update their records.

Escrow Agreements (EA)

During the escrow agreement workflow, the following process takes place:

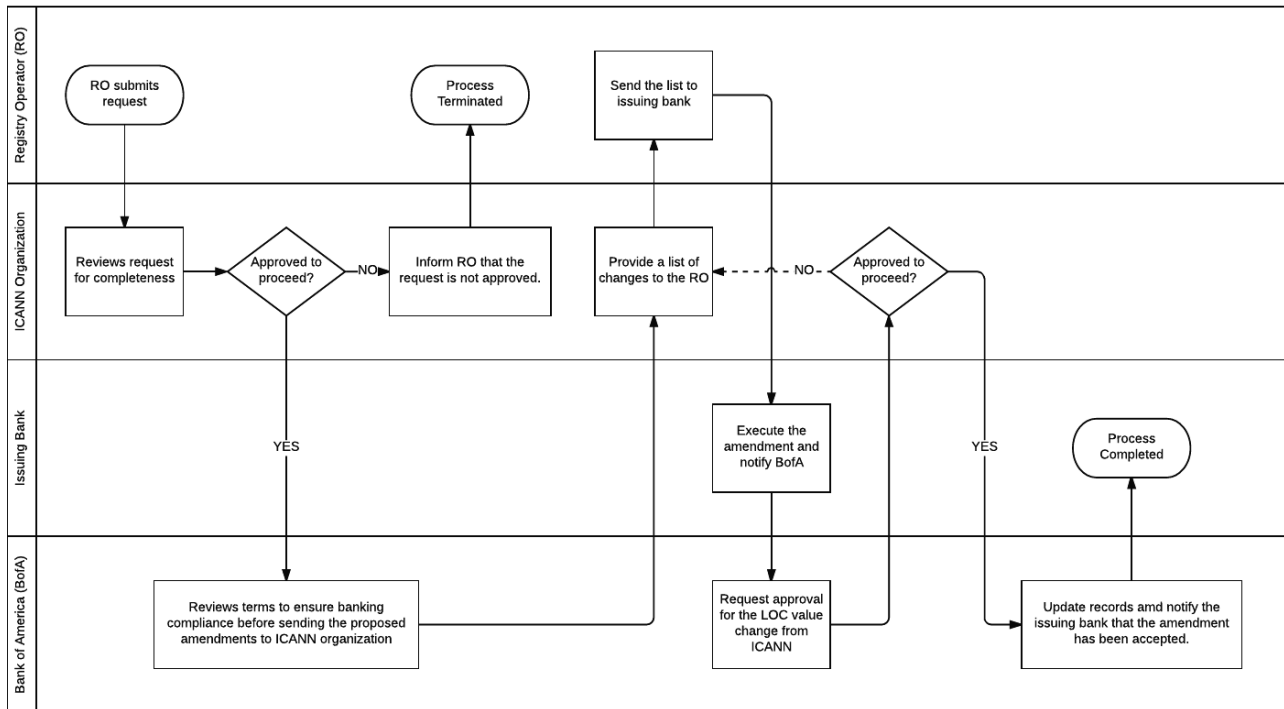
1. The ICANN organization will review the proposed language change(s) to the escrow agreement.
2. Upon approval, the registry operator's bank or escrow agent will execute the amendment and issue the amended escrow agreement to the ICANN organization.
3. The ICANN organization will counter-sign the amendment and send a copy of the fully executed amendment to the registry operator.

STEP 6 – Implementation of Service

The ICANN organization will communicate completion of milestones via the case. The ICANN organization will also notify the registry primary contact, via the portal case, when the amendment has been finalized.

III. Service Workflow

COI Amendment Service: Letter of Credit September 2017



COI Amendment Service: Escrow Agreements September 2017

